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DEPARTMENT OF COMMERCE

International Trade Administration

[C-489-502]

Circular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey: Final Results of Countervailing Duty Administrative Review and Rescission of Countervailing Duty Administrative Review, in Part; Calendar Year 2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that countervailable subsidies are being provided to Borusan Holding A.S. (Borusan Holding), Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (Borusan), and Borusan Istikbal Ticaret T.A.S. (Borusan Istikbal) (collectively the Borusan Companies) and Tosçelik Profil ve Sac Endüstrisi A.Ş. (Tosçelik Profil), Tosityali Dis Ticaret A.S. (TDT), Tosityali Holding, Tosçelik Toyo Celik (Tosçelik Toyo), Tosityali Filmasin ve Insaat Demir (Tosityali Filmasin), Tosçelik Spiral Boru (Tosçelik Spiral), Tosityali Demir Celik San A.S. (TDC), Tosçelik Granul San A.S. (Toselik Granul), and Tosityali Celik Ticaret A.S. (TCT) (collectively, the Tosçelik Companies), producers/exporters of circular welded carbon steel pipes and tubes (pipes and tubes) from Turkey for the period of review (POR) January 1, 2017, through December 31, 2017.

DATES: Applicable [**INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER***].

FOR FURTHER INFORMATION CONTACT: John Conniff (the Tosçelik Companies) at 202-482-1009, or Jolanta Lawska (the Borusan Companies) at 202-482-8362, AD/CVD

Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S.
Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230.

SUPPLEMENTARY INFORMATION:

Background

On May 14, 2019, Commerce published the preliminary results of this administrative review.¹ On August 29, 2019, Commerce extended the deadline for the final results to October 11, 2019.² For a summary of events that occurred since the *Preliminary Results*, see the Issues and Decision Memorandum.³

Scope of the Order

The merchandise covered by the countervailing duty order is circular welded carbon steel pipes and tubes from Turkey. For a complete description of the scope of the order, see the accompanying Issues and Decision Memorandum.

Rescission of the 2017 Administrative Review, in Part

On May 14, 2018, Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan) timely filed a no shipments certification.⁴ Additionally, on June 1, 2018, Borusan submitted a letter to Commerce timely certifying that Borusan Istikbal, Borusan Birlesik Boru Fabrikalair San ve Tic. (Borusan Birlesik), Borusan Gemlik Boru Tesisleri A.S. (Borusan Gemlik), Borusan Ithicat ve

¹ See *Circular Welded Carbon Steel Pipes and Tubes From the Republic of Turkey: Preliminary Results of Countervailing Duty Administrative Review and Intent To Rescind the Review, in Part; Calendar Year 2017*, 84 FR 21327 (May 14, 2019) (*Preliminary Results*), and accompanying Preliminary Decision Memorandum.

² See Memorandum, “Circular Welded Carbon Steel Pipes and Tubes from Turkey: Extension of Deadline for Final Results of Countervailing Duty Administrative Review,” dated August 29, 2019.

³ See Memorandum, “Issues and Decision memorandum for the Final Results of Countervailing Duty Administrative Review: Circular Welded Carbon Steel Pipes and Tubes from the Republic of Turkey; 2017,” dated concurrently with, and hereby adopted by, this notice (Issues and Decision Memorandum).

⁴ See Erbosan’s Letter, “No Shipment Certification of Erbosan Erciyas Boru Sanayi ve Ticaret A.S. (Erbosan) in the 2017 Administrative Review of the Countervailing Duty Order Involving Certain Welded Carbon Steel Standard Pipe from Turkey,” dated May 14, 2018.

Dagitim A.S. (Borusan Ithicat), Borusan Ihacat Ithalat ve Dagitim A.S. (Borusan Ithalat), and Tubeco Pipe and Steel Corporation (Borusan Tubeco) had no entries, exports, or sales of subject merchandise during the POR.⁵ With the exception of Borusan Istikbal, a company that Commerce has found to be cross-owned with Borusan during the POR, Commerce transmitted no-shipment inquiries to CBP regarding whether subject merchandise produced and/or exported by these companies entered the United States during the POR.

Commerce did not receive any information from interested parties or U.S. Customs and Border Protection (CBP) that was contrary to the claims of Erbosan, Borusan Birlesik, Borusan Gemlik, Borusan Ithicat, Borusan Ithalat, and Borusan Tubeco. Accordingly, based on record evidence, we determine that Erbosan, Borusan Birlesik, Borusan Gemlik, Borusan Ithicat, Borusan Ithalat, and Borusan Tubeco did not ship subject merchandise to the United States during the POR. Therefore, in accordance with 19 CFR 351.213(d)(3), and consistent with our practice,⁶ we are rescinding the review for Erbosan, Borusan Birlesik, Borusan Gemlik, Borusan Ithicat, Borusan Ithalat, and Borusan Tubeco. Because we have found Borusan Istikbal to be cross-owned with Borusan during the POR, we are not rescinding the review with respect to Borusan Istikbal and are assigning it Borusan's rate.

Analysis of Comments Received

We addressed all issues raised in the case and rebuttal briefs in the Issues and Decision Memorandum, which is hereby adopted with this notice. The issues are identified in the Appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty

⁵ See Borusan's Letter, "Circular Welded Carbon Steel Pipes and Tubes from Turkey. Case No. C-489-502: No Shipment Letter," dated June 1, 2018.

⁶ See, e.g., *Aluminum Extrusions from the People's Republic of China: Notice of Partial Rescission of Countervailing Duty Administrative Review*, 79 FR 2635 (January 15, 2014).

Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov> and is available to all parties in the Central Records Unit, room B8024 of the main Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the internet at <http://enforcement.trade.gov/frn/>. The signed Issues and Decision Memorandum and the electronic versions of the Issues and Decision Memorandum are identical in content.

Methodology

Commerce conducted this review in accordance with section 751(a)(1)(A) of the Tariff Act of 1930, as amended (the Act). For each of the subsidy programs found countervailable during the POR, we determine that there is a subsidy, *i.e.*, a government-provided financial contribution that confers a benefit to the recipient, and that the subsidy is specific.⁷ For a complete description of the methodology underlying all of Commerce's conclusions, *see* the Issues and Decision Memorandum.

Changes Since the Preliminary Results

Based on the comments received, we made changes to the net subsidy rates calculated for the Borusan Companies. For a discussion of these issues, *see* the Issues and Decision Memorandum.

⁷ See sections 771(5)(B) and (D) of the Act regarding financial contribution; section 771(5)(E) of the Act regarding benefit; and section 771(5A) of the Act regarding specificity.

Final Results of the Review

In accordance with 19 CFR 351.221(b)(5), we calculated individual subsidy rates for the Borusan Companies and the Tosçelik Companies. For the period January 1, 2017, through December 31, 2017, we determine that the following net subsidy rates for the producers/exporters under review to be as follows:

Company	Subsidy Rate <i>Ad Valorem</i>
Borusan Holding A.S., Borusan Mannesmann Yatirim Holding, Borusan Mannesmann Boru Sanayi ve Ticaret A.S. (Borusan), and Borusan Istikbal Ticaret T.A.S. (Istikbal) (collectively, the Borusan Companies)	0.82 %
Tosçelik Profil ve Sac Endustrisi A.S. (Tosçelik Profil), Tasyali Dis Ticaret A.S. (TDT), Tasyali Holding, Tosçelik Toyo Celik (Tosçelik Toyo), Tasyali Filmasin ve Insaat Demir (Tasyali Filmasin), Tosçelik Spiral Boru (Tosçelik Spiral), Tasyali Demir Celik San A.S. (TDC), Tosçelik Granul San A.S. (Toselik Granul), and Tasyali Celik Ticaret A.S. (TCT) (collectively, the Tosçelik Companies)	1.53 %
Çagil Makina Sanayi ve Ticaret A.S.	1.18 %
Cayirova Boru Sanayi ve Ticaret A.S.	1.18 %
Cimtas Boru Imalatları ve Ticaret Sirketi	1.18 %
Eksen Makina	1.18 %
Guner Eksport	1.18 %
Güven Steel Pipe (also known as Güven Celik Born San. Ve Tic. Ltd.)	1.18 %
MTS Lojistik ve Tasimacilik Hizmetleri TIC A.S. Istanbul	1.18 %
Net Boru Sanayi ve Dis Ticaret Koll. Sti.	1.18 %
Tosçelik Metal Ticaret A.S.	1.18 %
Umran Celik Born Sanayii A.S., also known as Umran Steel Pipe Inc.	1.18 %
Yucel Boru ve Profil Endustrisi A.S.	1.18 %
Yucelboru Ihracat Ithalat ve Pazarlama A.S.	1.18 %

Assessment Rates

In accordance with 19 CFR 351.212(b)(2), Commerce intends to issue assessment instructions to U.S. Customs and Border Protection (CBP) 15 days after the date of publication of these final results of review to liquidate shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after January 1, 2017, through December 31, 2017.

For the companies for which this review is rescinded, Commerce will instruct CBP to assess countervailing duties on all appropriate entries at a rate equal to the cash deposit of estimated countervailing duties required at the time of entry, or withdrawal from warehouse, for consumption, during the period January 1, 2017, through December 31, 2017, in accordance with 19 CFR 351.212(c)(1)(i).

Cash Deposit Requirements

Pursuant to section 751(a)(1) of the Act, upon issuance of the final results, Commerce also intends to instruct CBP to collect cash deposits of estimated countervailing duties for each of the companies listed above on shipments of subject merchandise entered, or withdrawn from warehouse, for consumption on or after the date of publication of the final results of this administrative review, except, where the rate calculated in the final results is zero or *de minimis*, no cash deposit will be required. For all non-reviewed firms, we will instruct CBP to continue to collect cash deposits of estimated countervailing duties at the most recent company-specific or all-others rate applicable to the company, as appropriate. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Disclosure

We will disclose to the parties in this proceeding the calculations performed for these

final results within five days of the date of publication of this notice in the *Federal Register*.⁸

Administrative Protective Order

This notice also serves as a reminder to parties subject to an administrative protective order (APO) of their responsibility concerning the disposition of proprietary information disclosed under APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation which is subject to sanction.

These final results are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act, 19 CFR 351.213(d)(4), and 19 CFR 351.221(b)(5).

Dated: October 11, 2019.

Christian Marsh,

Deputy Assistant Secretary

for Enforcement and Compliance.

⁸ See 19 CFR 351.224(b).

APPENDIX

- I. Summary
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